

20 APR 1961

MEMORANDUM FOR: Director of Central Intelligence
THROUGH : Deputy Director (Intelligence)
SUBJECT : The Situation in Laos

The Military Situation

1. Since the last week of March, the already dismal military situation of the Laotian government has deteriorated severely. Kong Le-Pathet Lao forces, continuing to hold the military initiative, have through aggressive action and the exploitation of government weakness considerably expanded their territorial control in key areas and achieved positions from which they now threaten even more strategic points.

2. Enemy troops on 31 March occupied Tha Thom, the government's main base on the southern approach to the Plaine des Jarres. The well-executed attack followed an intensive artillery barrage directed by well-placed spotters, and the entire operation suggested expert guidance [redacted]

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[redacted] Since the fall of Tha Thom, which opened the way for a possible enemy drive southward to take Pak Sane, Kong Le-Pathet Lao troops have concentrated their efforts in this sector against the Meo guerrillas, who still occupy strategic positions on high

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[redacted]

ground and have frequently been effective in harassing the enemy behind his lines. On 15 April the enemy captured the post of Ban Pha--held largely by Meos--about 15 miles southwest of Xieng Khouang town.

3. On 5 April the government launched an ambitious airborne operation to recapture Muong Kassy, on the Vientiane-Luang Prabang road. Two battalions, one parachuted and one flown in by helicopter just north of the town, were to attack in conjunction with a move northward by government troops south of Muong Kassy. This offensive ended ignominiously in mid-April with evacuation of the troops after little actual fighting, and demonstrated again the extreme ineffectiveness of General Phoumi's troops. The collapse of this operation was a severe psychological blow to Vientiane and may well have reinforced the government's tendency to look to outside assistance against a Communist takeover.

4. In central Laos, the enemy has recently embarked on an offensive which threatens to penetrate to the Mekong River. In early April the government posts of Kam Keut and Lac Sao were taken. [redacted]

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[redacted] Continued enemy pressure forced the government's successive abandonment of

Nhommarat and Mahaxsay, thus exposing the Mekong River port town of Thakhek, some 20 miles to the west. The government has set up some defensive positions east of Thakhek, but the quality of its troops there is poor even by Lao standards. Some two thousand civilian refugees have crossed the Mekong River into Thailand in anticipation of Thakhek's fall. Savannakhet, to the south--an even more important government base--would come under an increasing threat should the government lose Thakhek.

5. There are also indications that the enemy intends to step up his military activities in the extreme south. An enemy force estimated at several hundred on 13 April attacked and occupied the government outpost of Ban Pha Pho, about 25 miles from the Cambodian border.

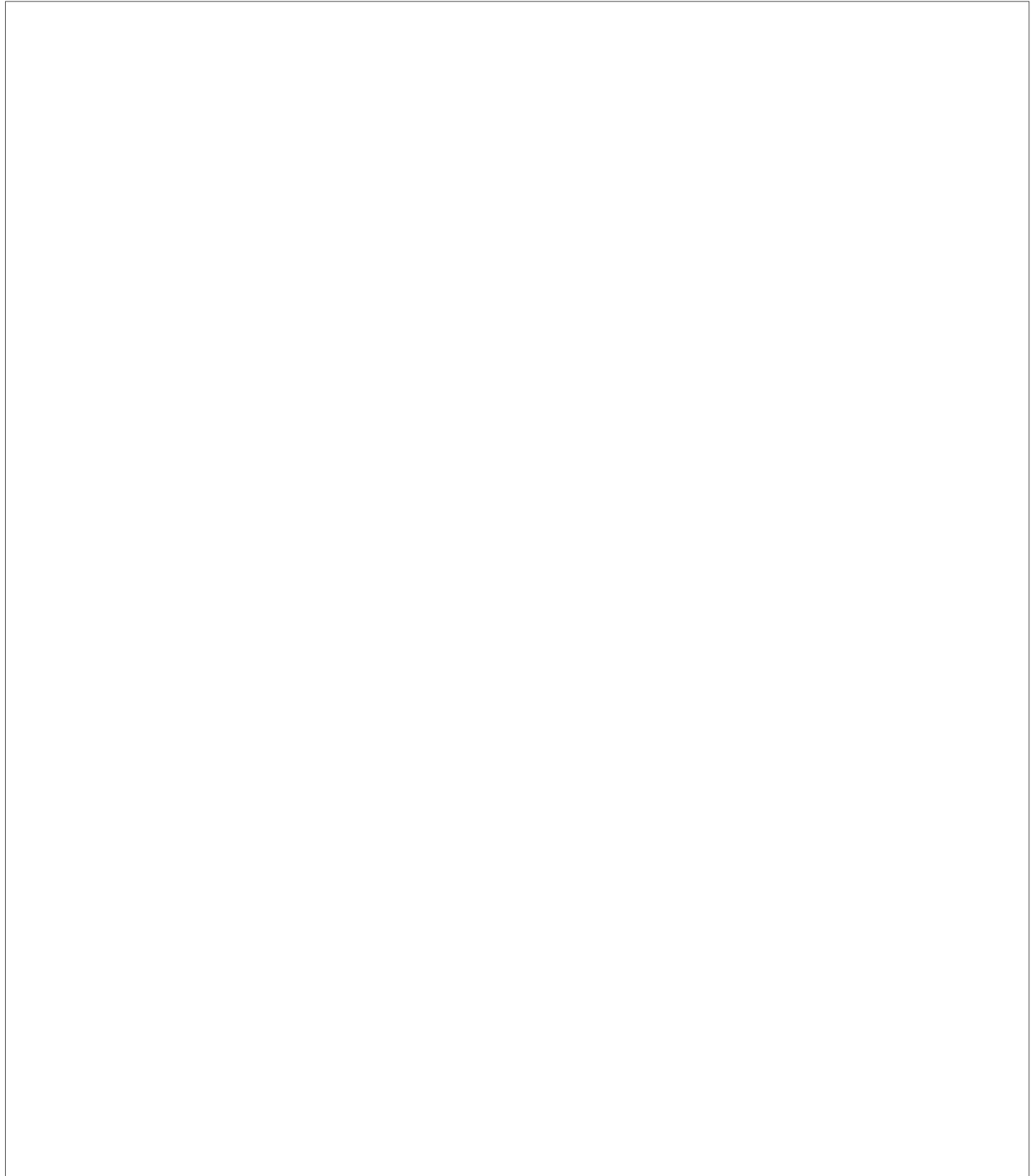
6. Fragmentary reports indicate a developing threat to Muong Sai, a key government post about 60 miles north of Luang Prabang. Some Pathet Lao elements have moved into position about six miles north of Muong Sai, while others are reported moving southward from Phong Saly with the mission of taking the post. The fall of Muong Sai would endanger the royal capital itself.

7. Laotian army forces are now fully extended and unable to meet threats in one area without weakening their capabilities in other sectors.

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Bloc Military and Logistic Support



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Another area where road

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improvement has been observed is near the Mu Gia pass between North Vietnam and Laos on Route 12. However, there is no information to indicate the extent that this road is being used for the support of pro-Communist forces in Khammouane. There have been reports that the North Vietnamese are also improving Routes 6 and 8.

11. Since late January, truck convoys have been moving over Route 7 from North Vietnam to the Plaine des Jarres at an average rate of about 20 trucks daily. Assuming an average truck load of 2 1/2 tons, it is estimated that probably as much as another 5000 tons of supplies have been delivered by this means. There are also reports that the Communists are still moving motor convoys over Route 8 to the Kham Keut area.

12. Of the total of approximately 9000 tons of supplies estimated to have been delivered since December, probably half has been consumed to date.

13. The stockpile can be maintained by the delivery of 20 aircraft loads or 15 truck loads of supplies daily, or by any combination of these two figures. Even if the airlift were discontinued enough supplies probably could be moved by road to permit continuation of guerrilla operations. The gradual increase in deliveries by air and truck since early



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March probably represents an effort to stockpile sufficient supplies to last through the rainy season, during which time deliveries by air and truck will become much more difficult.

14. Detailed information on the amount and kind of supplies arriving in North Vietnam for transshipment into Laos is extremely sketchy. [REDACTED]

[REDACTED]

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15. North Vietnamese military personnel are in Laos in an undetermined number but probably not exceeding 1500. They are apparently involved in logistical operations, as heavy weapons crews, as training personnel, as engineers and probably as combat leaders. Their participation probably could be increased substantially without prior detection.

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There is no evidence to indicate that Chinese Communist troops are in Laos.

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Soviet Diplomatic Moves

17. In the view of the Soviet leaders, the contest over Laos is now being played out primarily on the diplomatic and political level. Their moves over the past two months reflect a high degree of confidence that time is working to the Bloc's advantage in Laos and that the Western powers would eventually agree to enter negotiations under conditions favorable for advancing Communist objectives. This general approach is consistent with the low risk policy that Moscow has pursued from the beginning of the Laotian crisis last December. The USSR's policy is to avoid any actions which, in the Soviet leaders' judgment, might lead to US/SEATO intervention but, at the same time, to press stubbornly for the most advantageous terms for a negotiated settlement.

18. The Soviet Union responded to statements ~~by~~ of US determination to prevent a Communist takeover by urging that an international conference be convened at the earliest moment and by playing down the strategic importance of the Laotian conflict. In a conversation with Ambassador Thompson on 9 March at Novosibirsk, Khrushchev took a generally positive line, pointing out that the US and the USSR agree that the objective should be a neutral Laos and that this agreement represents an important step

forward. He contended that neither the US nor the Soviet Union stands to gain anything from a continuation of the fighting and stated that the USSR would welcome a neutral Laos on the Austrian model.

19. These efforts to assure the West that the USSR wished to prevent any expansion of the conflict, however, were not accompanied by any constructive proposals to clarify Soviet views on specific terms for a settlement. In an interview with Secretary Rusk on 18 March, Foreign Minister Gromyko was evasive on all substantive points and confined himself to insisting that a conference should meet before there could be a cease-fire.

20. The contest entered a new phase, in the Soviet view, with the presentation of the British proposals of 23 March for a joint Anglo-Soviet cease-fire appeal, re-activation of the International Control Commission (ICC) in Laos, and the convening of a conference. The Soviet leaders concluded that these proposals would provide an acceptable framework for moving the issue into the negotiating stage. They were probably concerned at this point to forestall any decisions by the SEATO conference, which met in Bangkok in late March, that might lead to an expansion of the conflict. On the day the SEATO conference

opened, Pravda published an authoritative article which emphasized that Britain's proposals offered "concrete possibilities" for a settlement and welcomed President Kennedy's statements that the US favors a peaceful settlement envisaging a neutral Laos. On the same day, Gromyko called at the White House, told the President that the British position could serve as a basis for a settlement, and urged that both sides must show restraint and take steps to prevent the conflict from spreading.

21. The Soviet leaders, meanwhile, had called a high-level meeting of the Warsaw Pact in Moscow to provide a ready forum for a vigorous, united Bloc reaction to any SEATO pronouncements that seemed to foreshadow increased Western intervention in Laos. When the Bangkok conference concluded with a relatively mild declaration on Laos, the Warsaw Pact powers responded with an equally moderate statement which mentioned the Laotian crisis only in passing.

22. Moscow's next step in the game of political maneuver was to issue a reply on 1 April to the British proposals of 23 March which created the impression of a moderate and constructive position. The USSR accepted Britain's proposal for a joint appeal by the Geneva conference co-chairmen for a cease-fire in Laos, but it was evasive in dealing with the mechanism for arranging a truce. Moscow also implicitly rejected the US-UK position that a verified cease-fire must be a prerequisite for calling a conference. Khrushchev and his top foreign policy lieutenants sought to provide further impetus for negotiations on Soviet terms by assuring Western diplomats that it should not be too difficult to reach a settlement provided all concerned negotiated in good faith. Gromyko told Ambassador Thompson on 10 April that he had the "impression" that the situation in Laos was now "calmer" and stressed the importance of avoiding any actions that might disturb this situation.

23. In the exchanges now in progress with the British ambassador in Moscow on arranging the timing and terms of reference for a cease-fire appeal, reactivation of the ICC, and convening a conference, Soviet officials are seeking to exploit the leverage which derives from the military

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successes and initiative of the pro-Communist forces in Laos to compel the Western powers to retreat from their position that a verified cessation of hostilities is an essential prerequisite for a conference. Moscow's current aim is to maneuver the West into agreeing to a definite date for the conference before the Western position on cease-fire verification is satisfied. The Bloc governments would regard this as an important diplomatic victory which would place the West on the defensive at the outset of negotiations.

24. In his interview with the British ambassador on 19 April, Gromyko continued these efforts to commit the US and Britain to a definite date for a conference as the price for Soviet agreement to an appeal for a cease-fire before the conference begins. He contended that British amendments to Soviet proposals of 16 April on these matters would only cause further delay but assured the ambassador that if Britain accepted Soviet terms, the cease-fire appeal could be issued immediately. Gromyko insisted that a cease-fire must be negotiated by the contending forces in Laos but expressed the view that Laotian representatives would reach agreement soon after the appeal is issued. He sought to bring further pressure

on the British by saying that *Tensions over Cuba* make it
all the more desirable to reach an early solution in Laos
and by warning that events in one part of the world were
bound to have an effect elsewhere.

The Asian Communist Position

25. In mid-March, North Vietnam and the Xieng Khouang "government" moved to put their relations on a more formal basis with the exchange of resident "economic and cultural" representatives. Neither Souvanna Phouma nor the Xieng Khouang group which claims to represent him^{has} officially recognized North Vietnam, probably ^{to} avoid undercutting their professions of neutrality, but the exchange of permanent representatives provides a means to circumvent this technicality in the conduct of government-to-government affairs.

26. The immediate reaction of the Asian Communists to President Kennedy's press conference on Laos was to denounce any idea of a cease-fire taking place before an international conference was convened on Laos. In a particularly bitter editorial on 25 March, North Vietnam charged that the US would use a cease-fire to strengthen Vientiane forces and declared "only a conference will be competent to settle questions of a cease-fire in Laos." The gist of most Asian Communist commentary the last few days of March was that the US had been "driven into a corner" and that military pressure should be continued to get the maximum possible results from any political bargaining.

27. Communist China, North Vietnam and the Pathet Lao all supported Moscow's 1 April reply to the British, which did not accept the Western position that a cease-fire must be verified before a conference was held. For several days, the Asians continued to emphasize the conference-before-cease-fire theme. Then, on 4 April, Moscow broadcast a talk in Vietnamese stating that the "Soviet view is that a cease-fire in Laos will help create a favorable atmosphere in which to negotiate." Within a few days there was a change apparent in the position held by the Pathet Lao and by 6 April, the Pathets were calling for a cease-fire simultaneous with the conference.

28. North Vietnam and Communist China rebroadcast these Pathet statements, in effect tacitly associating themselves with the Pathet Lao position. However, a letter the Chinese sent to the Cambodians suggested that while Peiping was willing to go along with Moscow, it was still dissatisfied with even small concessions to the west. This Chinese letter complained about holding the international conference in Geneva rather than Phnom Penh. It was sent to the Cambodians at a time when Peiping must have been aware that Moscow was recommending a conference in Geneva.

The Political Situation in Laos

29. Political activity in Vientiane has been overshadowed by these recent military events. Present thinking by King Savang and General Phoumi is to defer any reorganization of the government at least until a cease-fire is effected, possibly even awaiting the outcome of an international conference. They hold that "national reconciliation" depends on international agreement on a neutral status for Laos, hence any prior internal rearrangement would be meaningless. Nevertheless, they are hopeful of obtaining maximum agreement with former Premier Souvanna Phouma prior to any discussions with the Pathet Lao. Considerable confusion and doubt is evident among governmental circles, and the uncertain atmosphere has given rise to numerous rumors which appear to be having a demoralizing effect on Vientiane's political and military efforts against the Communists. Phoumi remains pessimistic over the chances of keeping Laos from going Communist under a coalition government with the Pathet Lao.

30. Souvanna Phouma, meanwhile, arrived in Moscow on 16 April after earlier visits to India, Western Europe and the Communist satellite nations to gain additional support for his formula for achieving a neutralized Laos. Souvanna

insists that the Pathet Lao must be included in the government, and he remains supremely confident of his ability to control the hard core Communist leadership of that group. However, reports from Xieng Khouang town, site of Souvanna's rump government, reflect the rapid communization of all aspects of life in Pathet Lao-held territory, complete with Communist slogans, cooperatives, and organized youth groups.

31. Pathet Lao leader Souphannouvong arrived in Moscow on 20 April, apparently to coordinate strategy with the Soviets. Souphannouvong previously has expressed readiness to discuss a settlement with Vientiane, but has stipulated that neither Premier Boun Oum nor Phoumi be included.

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